

UNITED STATES DEPARTMENT OF AGRICULTURE

Farm Service Agency
Washington, DC 20250

Notice FLP-246

For: State and County Offices

**Proceeding With Acceleration and Foreclosure for Claimants Notified of
Final Decisions That Did Not Prevail in the *Pigford v. Veneman* Class Action**

Approved by: Deputy Administrator, Farm Loan Programs



1 Overview

A

Background

Delinquent claimants under the *Pigford v. Veneman* class action may be serviced under FmHA Instruction 1951-S to the point of acceleration; however, acceleration and foreclosure action may not be taken until a final decision has been made on the claim. Final decision on a claim occurs in either of the following circumstances:

- the adjudicator issues a decision and the claimant does not request a Monitor review within the 120-calendar-day specified timeframe (from the most recent adjudicator's decision)
- the adjudicator issues a decision on the claim, the claimant requests a Monitor review, and the Monitor issues a decision not to refer the claim to the adjudicator for re-examination.

B

Purpose

This notice directs State and County Offices to proceed with acceleration or foreclosure, as appropriate, for claimants receiving final decisions under the *Pigford v. Veneman* class action.

Continued on the next page

Disposal Date

July 1, 2003

Distribution

State Offices; State Offices relay to County Offices

1 Overview (Continued)

C

Contact

If there are questions about this notice:

- County Offices shall contact the State Office
 - State Offices shall contact either of the following:
 - Veldon Hall, Director, LSPMD, at 202-720-4572
 - Constance Rime, LSPMD, at 202-690-4012.
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2 Action

A

National Office Action

The National Office shall e-mail, to each State's selected Consent Decree contact person, a report containing the names of those claimants who have received a final decision and have outstanding loans.

Note: States will be notified during the first week of the first month of each quarter. Notification will be under the following subject: "Claimants who have received final decisions and have outstanding loans." Negative reports that do not have any claimants for the specific month will not be sent. However, each quarterly report that is e-mailed will be cumulative.

B

State Office Action

State Offices shall:

- notify appropriate County Offices within the same workday when a report from subparagraph A is received
 - monitor the County Offices' progress in the loan servicing of delinquent claimants
 - provide assistance, when needed, to ensure that all applicable servicing rights have been provided
 - maintain the most recent report in operational files until servicing has been completed on all cases shown on the report.
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2 Action (Continued)

C

**County Office
Action**

County Offices shall continue with acceleration and foreclosure, if required, for delinquent borrowers receiving the final decision denying their claim under *Pigford v. Veneman*.

Note: Servicing under FmHA Instruction 1951-S must be completed before acceleration and foreclosure.
